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Lee Kuan Yew and the Art of Statecraft

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In 1965 the new nation of Singapore was confronted with a unique and challenging strategic problem -- how to survive as a nation given that it possessed virtually none of the traditional elements of national power. Tiny, totally lacking in natural resources, made up of a multicultural hodgepodge of peoples with no unifying sense of nationhood and enjoying, at best, tenuous relations with its neighbors, Singapore's future was not enviable. That Singapore should not only survive but become remarkably prosperous despite such an inauspicious start can be attributed in large measure to the efforts of one man, Lee Kuan Yew. Lee's remarkable strategic vision and leadership is clearly at the center of Singapore's success over the last 30 years.

The strategic environment which Lee Kuan Yew faced in 1965 was not totally bleak. Singapore possessed a number of assets to be exploited. She enjoyed a superb geographic location on the Straits of Malacca, one of the world's most important maritime thoroughfares. Her port was one of the world's busiest. Her population, while heterogeneous, was industrious with a mercantile flair. Additionally, Singapore benefited from a British educated elite, of which Lee was one, which gave her a Western orientation with Western style political and economic institutions. Finally, at least until 1971, Singapore benefited from a major British military presence, which served as a deterrent to would-be aggressors. It was within this context of a daunting environment that Lee Kuan Yew developed and executed his strategic vision.

Lee Kuan Yew starts from the premise that to survive Singapore must economically thrive -- not just by the standards of a regional Asian economy but by the standards of the world economy. His overriding strategic objective is almost entirely commercial, i.e. to make Singapore a major trading state. This will be Singapore's niche.

in the world. All political, economic, and social policies will be directed towards achieving it. The instruments of diplomacy and military power will be employed to preserve it.

While much has been made in recent years of the so-called "Asian" model, of which Lee Kuan Yew is one of the primary publicists, it is in the West, in particular Israel and Switzerland, that Lee initially sees the model for Singapore's development.

During the early 1960's it dawned on [Lee] with new clarity how similar Singapore was to Israel, both migrant enclaves surrounded by Islamic nations and subject to resentment from disaffected Muslims within. Switzerland was relevant in a number of ways: a multilingual society, armed and mobilised to protect its neutrality, a national economy selectively industrialised and able to attract disposable immigrant labour for the less pleasant jobs, a people only too willing to prosper by serving the financial whims of all comers with the help of superb infrastructure and facilities, and venturing out into the world without inhibitions except those dictated by efficiency and calculated self interest.¹

In order to develop as a first class trading nation Lee must secure Singapore from external threat -- the preeminent requirement of statecraft. In terms of diplomatic strategy this means that he must, first, secure friendly relations with both of Singapore's immediate neighbors, Malaysia and Indonesia, and, secondly, adopt a stance of benign neutrality towards the rest of the world -- a must for a tiny city-state with major commercial aspirations. Finally, all of this must be accomplished while maintaining an essentially pro-Western orientation, particularly in cultivating Singapore's ties to the United States, the great Pacific power and guarantor of Asian stability. The fact that Lee

¹Times Minchin: *No Man Is an Island* (London: Allen & Unwin, 1990) 239

is consistently able to achieve these potentially conflicting diplomatic objectives over a turbulent 30 years is a tremendous tribute to his skills as a statesman

In terms of military policy, Lee's objective is to maintain sufficient military power resident in Singapore to deter any would-be aggressor from believing he could quickly and easily swallow up the tiny city state. This security policy was pursued initially by falling under the umbrella of the large British military contingent stationed in Singapore. Following Britain's decision in 1968 to withdraw all forces from Singapore by 1971, the nation was compelled to put out considerably more effort on its own to maintain its security. National military service for all male citizens was instituted, the defense budget was notably increased, and Israeli military advisors were appointed. The Israelis were selected "largely because Israel had developed methods to overcome immensely superior enemies in war and had used military service to help create a [national] identity in their own small country"². Finally Singapore entered into a 1971 defense agreement with Great Britain, Australia, New Zealand, and Malaysia. While this agreement "replaced definite commitment to military aid by a deliberately nebulous provision for consultation" it would nevertheless enhance the deterrence value of the Singapore armed forces.³

While Lee Kuan Yew's diplomatic and defense initiatives are significant to the attainment of his strategic goal it is in his domestic economic, political and social policies where his efforts to make Singapore a secure and thriving state bear the most fruit. In fact, perhaps nowhere is the linkage between domestic policies and international

² C. M. Turnbull *A History of Singapore 1819-1958* (Singapore: Oxford University Press, 1988) 305
 Turnbull 31

position more clear in the modern world than in the case of Lee Kuan Yew's Singapore. It is difficult to separate Lee's foreign policy from his domestic policy in that they share the same objective. Simply put, Lee's strategy for national survival can best be observed in the overall goal of his domestic policy, i.e. to develop Singapore as a cohesive, adaptable, and disciplined commercial trading state whose success depends not on its abundance of natural resources but rather on the industry of its populace, Singapore's only real national resource.

In the realm of economic policy, Lee and his ministers aim to make Singapore's economy world class, a developed economy comparable to those of the West and not a third world economy based on cheap labor and low value-added manufacturing. Again, Singapore's commercial success is the grand strategic objective, the key to her survival. The primary engine for Singapore's rapid economic growth will be transnational corporations. Unlike many new nations of the 1960's who see foreign investment and transnational corporations as another form of Western imperialism, the activities of these companies are positively encouraged in Singapore. The Singapore government takes the lead in "offering an offshore haven to the booming economies of the developed world."⁴ In exchange for a disciplined, industrious, and relatively cheap workforce, tax concessions, and a commercially attractive location in Asia, transnational firms offer Singapore investment, employment, the transfer of technology and commercial techniques, and access to foreign markets.⁵ This symbiotic relationship feeds Singapore's rapid growth.

⁴ Minchin 242

⁵ Minchin 243

Under Lee, Singapore pursues an active "industrial policy", and develops a type of state led capitalism where the government plays an active role in identifying and promoting particular industries rather than leaving the market entirely on its own. As a Singapore minister put it -- "The government has to be the planner and the mobilizer of the economic effort, but the free enterprise system, correctly nurtured and adroitly handled, can serve as a powerful and versatile instrument of economic growth."⁶

Singapore industry is actively encouraged to go "upmarket", to continually update its industrial processes to strive to match the best of world industry. Additionally, Lee's government passes labor laws which serve to emasculate Singapore's labor unions, removing the threat of labor unrest and further enhancing Singapore's attraction to foreign transnational firms. Finally, the government ensures a large supply of ready capital for investment in Singapore industry by enacting a compulsory savings plan for Singapore workers amounting to as much as 25% of their income.⁷ These policies prove to be highly effective as the Singapore economy over the first three decades of its independence enjoys economic growth rates which rank among the best in the world.

It is in social policy, however, where Lee Kuan Yew's strategic vision for Singapore is most apparent. It is in many ways Lee's singular achievement as a statesman to have so molded a nation's society towards the achievement of strategic ends -- statecraft through social policy.

At independence, Singapore is a multicultural, multilingual society with no clear sense of nationhood. It is Lee's challenge to mold this society into a cohesive,

⁶ Turnbull 320

⁷ Mincin 240

disciplined body which will achieve national success through commercial prowess. In a large sense this approach plays to the strengths of Singapore's largest ethnic group, the Chinese. "All Singaporeans were required to conform to the general political, economic, and social ethos of modern Singapore. In a state where nearly 80 per cent of the population were of Chinese ethnic origin, this meant in practice a strongly Chinese flavour: an insistence on discipline, hard work, competition, self reliance, respect for worldly success and desire for material gain."⁸ Lee takes these cultural predilections and pursues social policies which build upon them. Order and discipline are enforced (or re-enforced) through a legal system with a "veritable spate of laws and regulations [which] deal with all sorts of offenders and criminals."⁹ He takes great interest in the island's educational system as he sees it as the means to produce both the skilled workers necessary for the success of a modern industrial society as well as to foster the meritocratic elite which will run Singapore.

Despite the obvious influence of Chinese culture on both Lee personally and Singapore in general, Lee is not wedded to any particular cultural influence. For example, he encourages the evolution of English into the dominant language of Singapore's government, economy, and educational system, both to obtain the unifying effect of a common language as well as for the very practical reason that English is the dominant language of international commerce. Lee speaks with disdain of what he terms a "calypso society," which has no unifying or language of its own.¹⁰ Clearly such a society cannot achieve the goals he envisions for Singapore. Lee declares with regards to

⁸ Turnbull 361

⁹ Minchin 253

¹⁰ Turnbull 3-5

the adoption of English "As we go up the technological ladder, we just cannot waste our time messing around repeating the same knowledge in different languages. Let's move, and move swiftly, into our common working language [i.e. English]"¹¹

Lee Kuan Yew is a social engineer *par excellence*. His social policy is predicated on focusing and reinforcing those aspects of Singaporean society and culture which he deems necessary for commercial success. In essence his vision is that of Plato's *Republic*, a meritocratic, even technocratic, society with a "well trained, civilised workforce whose members each know their place"¹². Lee seems to lack any particular attachment to Western style representative democracy beyond the necessity to maintain it as the price of full fledged membership in the Western community of nations (in particular, *trading* nations). Lee is obviously comfortable in the role of "benign despot" or Platonic Guardian. That he is able to play this role comes not from the exclusion of Western-style democracy *à la* the Marxist-Leninist model, but rather from Lee's considerable political acumen and the overwhelming electoral dominance accorded his party by Singapore voters as a reward for Singapore's immense success. Lee may use velvet-gloved authoritarian tactics from time to time to help insure his party's control of the political process but this cannot explain his great political success in obviously free elections. Simply put his purposeful leadership has been as popular as it has been successful.

How should we assess Lee Kuan Yew as a statesman? There can be no disputing his success. He has accomplished his great strategic goal of insuring Singapore's

¹¹ Minchin 262

¹² Minchin 262

survival while making it a wealthy, thriving commercial state. In so doing he has shown great vision while consistently balancing strategic ends and means. Lee expertly capitalized on the emergence of world-wide economic trends which would enable a small specialized state without many of the traditional bases of national power to prosper on the basis of its brainpower, organization, and commercial acumen.

The more interesting questions are, however: What lessons can statesmen and strategists draw from Singapore's and Lee's successes? Does Lee Kuan Yew's "Asian" model have applicability elsewhere? In answer to the first, I would argue that Lee's performance re-emphasizes the importance of molding a strong, vigorous, cohesive society at home as the basis for generating national power for use in international statecraft. In other words, sound domestic policy is corollary to sound foreign policy.

As to the applicability of the so-called "Asian" model elsewhere I am doubtful. First, the term model implies that its characteristics can be transplanted. The economic success of Singapore (as well as for that matter the other so-called Asian "tigers") is arguably limited in space and time and is in large measure a result of unique circumstances obtaining at the time in each of these individual countries. Each country must in large measure adapt to its own circumstances. More importantly, I am skeptical that a unique Asian model even exists—that is to say, a model whose parameters can be uniquely defined and then reproduced. In many senses Asian economic success is the result of the same factors which produced and continues to produce economic success in the United States and Europe: managerial and technological skill, educated and industrious work forces, adaptability to market conditions, etc. I would argue that Singapore and other Asian nations like her have succeeded not by following their own

model but rather precisely because they have effectively applied a mode they have borrowed, i.e. Western market capitalism. Lee Kuan Yew seems to say as much himself: "We have been able to create economic growth because we facilitated certain changes while we moved from an agricultural society to an industrial society. We had the advantage of knowing what the end result should be by looking at the West and later Japan. We knew where we were, and where we had to go."¹³

¹³ Fareed Zakaria, "A Conversation with Lee Kuan Yew," *Foreign Affairs* Vol. 73, No. 2 (March-April 1994), 14-115.

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